

**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

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	:
In re	: Chapter 11 Case No.
	:
LEHMAN BROTHERS HOLDINGS INC., <i>et al.</i>,	: 08-13555 (JMP)
	:
Debtors.	: (Jointly Administered)
	:
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**STIPULATION, AGREEMENT, AND ORDER BETWEEN
LB 745 LLC AND JAMIE DESMOND PROVIDING
FOR LIMITED RELIEF FROM THE AUTOMATIC STAY**

LB 745 LLC ("LB 745"), as debtor and debtor-in-possession, and Jamie Desmond ("Desmond"), hereby enter into this stipulation, agreement, and agreed order (the "Stipulation, Agreement, and Order") and agree, as follows:

RECITALS:

A. On September 15, 2008 and periodically thereafter, Lehman Brothers Holdings Inc. ("LBHI") and certain of its subsidiaries (collectively, the "Debtors") commenced voluntary cases under chapter 11 of title 11 of the United States Code (the "Bankruptcy Code") with this Court. On September 16, 2008, LB 745 commenced its voluntary case under chapter 11 of the Bankruptcy Code with this Court. LB 745 is a wholly-owned subsidiary of LBHI with no employees.

B. On or about April 21, 2005, Desmond filed a verified complaint (the "Complaint") commencing an action in the Supreme Court of the State of New York, County of New York, styled as index number 05-105684 (the "Action"), against LB 745 and Restaurant Associates (collectively, the "Defendants") to recover monetary damages for personal injuries Desmond purportedly incurred as a result of a slip and fall accident that allegedly occurred in the cafeteria (the "Cafeteria") located within the premises of 745 Seventh Avenue, New York, New

York (the “Premises”). The Complaint alleges that LB 745 is the owner of the Premises, including the Cafeteria, and that Restaurant Associates is the operator of the Cafeteria.

C. American Home Assurance Company (“American Home”) issued an insurance policy to LBHI for the Premises, policy number GL 480-59-47 (the “Policy”). LB 745 is an additional insured under the Policy, as a subsidiary of LBHI. American Home has assumed the defense and indemnification of the Action up to the Policy limits.

D. As a result of the commencement of the Debtors’ chapter 11 cases, the Action was stayed as against LB 745 pursuant to section 362 of the Bankruptcy Code (the “Automatic Stay”).

E. Desmond has requested relief from the Automatic Stay imposed in LB 745’s chapter 11 case to continue the Action. Desmond has agreed to limit her recovery, if any, to the extent of the insurance policy proceeds that may be payable to Desmond under the Policy, or any other applicable policy that covers the claims asserted by Desmond in her Action (the “Insurance Proceeds”).

F. In light of the foregoing, LB 745 and Desmond (each a “Party” and together, the “Parties”) have agreed, subject to approval of this Court, to modify the Automatic Stay for the limited purpose and subject to the terms and conditions set forth below of permitting Desmond to continue the Action.

NOW, THEREFORE, IT IS HEREBY STIPULATED, AGREED, AND ORDERED by and between LB 745 and Desmond, through their undersigned counsel, that:

1. The Automatic Stay in LB 745’s chapter 11 case is hereby modified solely to the extent necessary to permit Desmond to continue the Action against the Defendants, *provided, however*, that the provisions of the Automatic Stay, including, without limitation, those provisions prohibiting any act to collect, assess, or recover a claim that arose before the

commencement of LB 745's chapter 11 case from the Debtors' estates and/or assets or property of LB 745 or the Debtors (as defined in section 541 of the Bankruptcy Code) shall remain in full force and effect.

2. Desmond hereby forever waives and releases any and all Claims (as such term is defined in section 101(5) of the Bankruptcy Code), liabilities, causes of action, demands, and damages of whatever kind or nature and whether known or unknown, asserted or unasserted, arising before or after the commencement of these chapter 11 cases from or related to the Action against LB 745 or any other Debtor in the above-captioned chapter 11 cases except such Insurance Proceeds that might become payable to Desmond and hereby waives any and all rights to any recovery arising from or in relation to the Action that exceeds the Insurance Proceeds.

3. The limited relief set forth herein shall not be construed as an admission of liability by LB 745 or any of the Debtors of any claim or cause of action arising from or in relation to the Action.

4. The Parties agree that this Court shall be the exclusive forum with respect to any disputes or controversies relating to or arising under this Stipulation, Agreement, and Order.

5. This Stipulation, Agreement, and Order can only be amended or otherwise modified by a signed writing executed by the Parties.

6. The person who executes this Stipulation, Agreement, and Order by or on behalf of each respective Party represents and warrants that he or she has been duly authorized and empowered to execute and deliver this Stipulation, Agreement, and Order on behalf of such Party.

7. This Stipulation, Agreement, and Order may be executed in counterparts, each of which shall be deemed an original but all of which together shall constitute one and the

same instrument, and it shall constitute sufficient proof of this Stipulation, Agreement, and Order to present any copy, copies, electronic copies, or facsimiles signed by the Parties here to be charged.

8. This Stipulation, Agreement, and Order is subject to the approval of the Court and upon such approval shall inure to the benefit of the parties hereto and their respective successors and assigns.

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9. This Stipulation, Agreement, and Order shall be governed by the laws of the State of New York, without regard to the application of New York's conflict of law principles.

Dated: November 11, 2009
New York, New York

/s/ Scott London
Scott London

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Attorneys for Jamie Desmond

Dated: November 11, 2009
New York, New York

/s/ Richard P. Krasnow
Richard P. Krasnow

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Attorneys for Debtors
and Debtors in Possession

SO ORDERED:

Dated: New York, New York
November 23, 2009

s/ James M. Peck
HONORABLE JAMES M. PECK
UNITED STATES BANKRUPTCY JUDGE